

## BUSINESS PROGRAM BACKGROUND

This year, the California Student Aid Commission (Commission) marks its 53rd year in providing financial aid services to California students. Since its creation by the Legislature as the State Scholarship Commission in 1955, the primary purpose of the Commission has been to make education beyond high school financially accessible to all Californians. Through the Cal Grant program, the Commission administers over \$660 million in need-based financial aid annually to almost 300,000 students attending public and private, post-secondary education institutions. The Commission is made up of 15 members appointed by the Governor, Senate Rules Committee and Speaker of the Assembly. They are charged with the responsibility of ensuring the effective and efficient administration of federal and state authorized financial aid programs.

The Program Administration and Services Division is the operational entity within CSAC that is responsible for implementing the grant programs as detailed in statute and regulated by the Commission. The day-to-day business processes of Grant Operations follow operational deadlines. These deadlines ensure the grant awards are made in time for students to attend schools and institutions in the fall semester. The following is a list of the operational award deadlines for the next academic year that reflect the different award cycles:

Major Operational Deadlines	Entitlement A&B Awards	Transfer A&B Entitlement Award	Competitive A&B March Award	Competitive C Award	Competitive A&B Community College Award
Start receiving GPAs from schools	October	October	October	n/a	October
Start receiving student FAFSA applications from USDE	January	January	January	January	January
Collect Student Enrollment	n/a	n/a	n/a	n/a	Late September
FAFSA & GPA deadline	March 2	March 2	March 2	March 2	September 2nd
Final review and processing of applications	Late March	Late March	Late March	Late March	Late September
Mail award status letters to applicants	January – April	January – April	April	End May	October
Institution	January –	January ---	April -	June -	April -

Payment Rosters	December	December	December	December	December
Corrections deadline	January – December	January – December	n/a	n/a	n/a
School Changes	January	January	April	June	October

Top Two Percent Entitlement	June	n/a	n/a	n/a	n/a
Renewal Awards	End June	End June	End June	End June	End June
Fall Advance Payments	August	August	August	August	August
Open Payments	August	August	August	August	August

There are over 400 post-secondary institutions that participate in the Cal Grant programs. These schools bear the responsibility for verifying student eligibility and disbursing payments to the students. Using the existing GDS, schools report payments either individually or through a batch upload. All payment transactions regardless of source are held and processed weekly through a series of batch processes. Cal Grant funds are advanced to schools at the start of each term based on a percentage of prior year expenditures. As payments are posted showing the expenditure of grant payments to students, supplemental funds are disbursed to schools as needed to balance their accounts through a twice monthly reconciliation process. Also, many of the batch processes require running on weekends or evenings which reduces update availability of the GDS. Institutions often use dedicated staff to administer the Cal Grant programs for students at the institution Financial Aid Office.

Post secondary education institutions administer the Cal Grant program using a mix of Financial Aid Management Systems (FAMS), manual procedures, personal productivity tools (Excel, Word, Access), and the Grant Delivery System's (GDS) web application, WebGrants. Generally, FAMS systems used at schools vary from over 28 different commercial systems to over 62 in-house applications. The FAMS systems are generally stand-alone and may or may not be integrated with other institutions systems such as Admissions, Accounting or Student Information Systems. Institutions vary widely in technology capability. Some, such as proprietary institutions, are mostly manual and rely wholly on CSAC furnished applications to administer the Cal Grant Program. Many such as community colleges have stand-alone commercial FAMS systems, but do not have technology staff or resources to upgrade, integrate, or modify systems. The larger independent and public institutions often have sophisticated integrated systems with in-house technology staff that keep systems current with technology changes.

The Cal Grant program also requires student information from over 1700 High Schools. These schools often have Student Information Systems that can provide the student information through electronic upload using CSAC's web application.

Schools that do not have that capability can use the CSAC web application to manually enter the information or certify the information on a GPA verification form that the student sends to CSAC.

## PROJECT BUSINESS OBJECTIVES

The business objectives of this project:

1. Provide the capability for real time online transaction processing and data retrieval for the Grant Delivery System.
2. Continue to provide customers with the existing batch processing procedures in addition to the new real time features.
3. Provide the capability for 'on request' and 'on receipt' automated data communication between the Grant Delivery System and institution Financial Aid Management Systems (Web Services).
4. Modify WebGrants to provide real time data and transaction capability.
5. Provide Students with enhanced access to processing, payment, and award status and allow them to make 'real time' school changes and award simulation.
6. Improve customer service by reducing backlogs, the volume of paper processing and telephone calls.
7. Improve system security, performance, flexibility, efficiency, and availability and allow ease of maintenance.
8. Provide a service oriented architecture (SOA) interface that is open and meets evolving enterprise standards.

## BUSINESS FUNCTIONAL REQUIREMENTS

The high-level roll-up of the functional requirements associated with the proposed project are shown below in matrix form. A more detailed and comprehensive listing of the requirements will be provided upon request.

Problem/Opportunity	Benefit	Objective
<p><b><i>Restructure GDS to provide real time transactions, real time data retrieval and improve security.</i></b></p> <ul style="list-style-type: none"> <li>▪ Using structured programming rewrite existing oracle packages, procedures and functions to allow real time transactions within the current batch processing structure.</li> <li>▪ Restructure database foreign keys to depend on the unique CSAC student ID rather than the social security number</li> <li>▪ Major business functions include: <ul style="list-style-type: none"> <li>○ Payments and Leave</li> <li>○ Reconciliation</li> <li>○ School Change</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Provides schools with the ability to process transactions and immediately see the results.</li> <li>• Reduces rejects that occur in the batch process due to multiple transactions processed in the same cycle.</li> <li>• Students will receive more timely award and renewal notifications.</li> <li>• Schools will be able to complete financial aid packaging more efficiently which will enable students to make more informed decisions.</li> <li>• The ability to encrypt and better protect confidential information</li> </ul>	I, II, IV, V

<ul style="list-style-type: none"> <li>○ Entitlement Awards</li> <li>○ Non SMLTA award info</li> </ul>		
<p><b><i>Continue capability to provide existing processing procedures for customers</i></b></p> <ul style="list-style-type: none"> <li>• Some processes must continue to be batch oriented in order to meet statutory requirements and, in some cases, the technical requirements of our customers</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to provide services to schools with less technology thus meeting a wide range of customer needs and requirements.</li> <li>• Processes that must occur together will continue to utilize the existing batch processing.</li> </ul>	I,II
<p><b><i>Restructure GDS to provide automated data communication via Web services</i></b></p> <ul style="list-style-type: none"> <li>• Create a secure universal web-services information bus to communicate with a wide variety of business partner software. Services will include: <ul style="list-style-type: none"> <li>▪ Award query and update</li> <li>▪ GPA query and update</li> <li>▪ Payment query and update</li> <li>▪ School Change</li> <li>▪ Unclaimed awards</li> <li>▪ Reconciliation</li> <li>▪ Institution demographic query/update</li> <li>▪ Institution Budget query/update</li> <li>▪ Student History query</li> <li>▪ USDE ISIR load and update</li> <li>▪ SCO claims schedule</li> <li>▪ Institution Packaging and Update</li> <li>▪ CSAC Unique Identifier</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Flexibility for business partners</li> <li>• Allows others to interface with GDS using a universal language</li> <li>• New services can be provided based on business needs rather than technology</li> <li>• Provides for single data entry for participating schools</li> <li>• Makes GDS transparent to participating schools.</li> <li>• Prepares for the US Dept Education changes for processing Student Applications.</li> </ul>	III, V, VII, VIII
<p><b><i>Modify GDS to allow student inquiries and real-time changes to demographic and application data</i></b></p> <ul style="list-style-type: none"> <li>• Create a secure web-services interface to allow students to query and update CSAC award account and other potential web services aggregated information.</li> </ul>	<ul style="list-style-type: none"> <li>• More timely and accurate information will available to students.</li> <li>• Application corrections will be processed immediately allowing students to receive instant award notifications</li> <li>• Backlogs in processing by Grant Operations staff should be significantly reduced.</li> </ul>	V, VI
<p><b><i>Retain current WebGrants functionality for keying individual transactions</i></b></p> <ul style="list-style-type: none"> <li>• Schools who do not wish to utilize the new technology will still be able to key individual transactions directly to WebGrants without an interface with their FAMS.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to provide services to schools with less technology thus meeting a wide range of customer needs and requirements.</li> </ul>	III, V, VII, VIII
<p><b><i>Allow Institutions choose participation level in Web Grants</i></b></p> <ul style="list-style-type: none"> <li>○ Allow Suppression of institution letters to students by participating institutions</li> <li>○ Provide alternative FA packaging service to institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Provides Decentralized view of Grant Delivery System for institutions</li> <li>• Provides students with real award amounts for packaging</li> <li>• Reduces cost of administration for institutions</li> </ul>	I, III, VII, VIII